# U.S. Department of State
# FY 2001 Country Commercial Guide: Guinea

The Country Commercial Guide for Guinea was prepared by U.S. Embassy Conakry and released by the Bureau of Economic and Business in July 2000 for Fiscal Year 2001.



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## I. EXECUTIVE SUMMARY

This Country Commercial Guide (CCG) presents a comprehensive look at Guinea's commercial environment using economic, political, and market analysis. The Trade Promotion Coordinating Committee (TPCC), a multi-agency task force, recommended the establishment of the CCGs to consolidate various reporting documents prepared for the U.S. business community. U.S. Embassies, through the combined efforts of several U.S. government agencies, annually prepare Country Commercial Guides.

Upon termination of the first Republic's socialist policies in 1984, the new regime began significant reforms to liberalize the political and economic environment. During the beginning stages of these reforms, the informal sector response was very impressive, while international trade, agricultural production, and manufacturing produced only a modest response. Poor physical and institutional infrastructures, an erratic and unpredictable judicial system, and corrupt practices contributed to the weak formal sector response.

In July 1996, in order to address this weakness, President Lansana Conte appointed a new government, which promised major economic reforms, including financial and judicial reform, rationalization of public expenditures, and improved government revenue collection. A concerted effort by the government to implement this program had began to bear fruit in advancing Guinea's economy and commercial sector into the intermediate stages of development, expanding international trade, agricultural production, and manufacturing capabilities. Then in 1997 the head of that government was stripped of his letter of mission, which was mainly economic, and finally fired in early 1999. Ever since the economy has declined steadily. Corruption, combined with a lack of set goals in development, are the main causes of this downward turn of the economy. Informal sector continues to be a major contributor to the economy.

Guinea has plentiful land and mineral resources, abundant rainfall, and significant hydroelectric potential. Many economic management issues, however, must be resolved in order to create a stable environment for further private sector growth.

Guinea's 1999 GDP was composed as follows:

| | |
|---|---|
| Trade | 27% |
| Agriculture/Livestock | 21% |
| Mining | 15% |
| Public Works | 9% |
| Other Services | 9% |
| Transportation | 6% |
| Administration | 4% |
| Manufacturing/Industry | 4% |
| Water and Power | 0.5% |

Outside of the mining sector, donor projects continue to provide the largest source of business opportunity for expatriate firms and are a critical driving force in developing Guinea's infrastructure. Donor projects include roads, schools, and water systems construction, and ongoing improvements in energy, telecommunications, trade, transport, and agricultural production capabilities. Guinea hosted an investors' forum in May 1998 to present more than 100 public and private investment opportunities, totaling over 150 million USD.

Guinea imported approximately 900.9 million USD in 1999. Leading imports include:

- Construction materials worth 262.1 million;
- Machinery and equipment worth 213.8 million USD;
- Food products worth 105.1 million USD;
- Other consumer goods worth 92.9 million USD;
- Petroleum products worth 58.7million USD.

Although U.S. investors and exporters profit from a healthy public and private interest in U.S. goods, services, and technology, third-country competition for markets is strong. The French, traditionally Guinea's major suppliers, are present in a variety of sectors. Guinea's leading sources of imports in 1997 were France, USA, and Cote d'Ivoire.

In 1996, Malaysia made significant investments in the banking and telecommunications industries, but their efforts have proved largely unsuccessful. Corruption, fraud, and bad debts have hampered the Malaysians' progress. However, a large retail sector exists in Guinea, the most visible part of which is traders of Lebanese origin.

The government of Guinea (GOG) has committed itself to economic and judicial reform in order to attract foreign investment and develop the private sector. However, Guinea lacks a well-trained cadre of managerial and technical personnel and labor productivity is low. The commercial banking sector, which is being restructured with help from the IMF and the World Bank, provides limited and expensive services with restricted financing options. Finally, corruption is rampant and has a negative impact on even the most straightforward business transactions.

Country Commercial Guides are available for U.S. exporters from the National Trade Data Bank's CD ROM or via the Internet. Please contact STAT-USA at 1-800-STAT-USA for more information. Country Commercial Guides are accessible via the world wide web at http://www.stat-usa.gov; http://www.state.gov/; and http://www.mac.doc.gov. They can also be ordered in hard copy or on diskette from the National Technical Information Service (NTIS) at 1-800-553-NTIS. U.S. exporters seeking general export information/assistance and country-specific commercial information should contact the U.S. Department of Commerce, trade information center by phone at 1-800-USA-trade or by fax at (202) 482-4434.

## II. ECONOMIC TRENDS AND OUTLOOK

Major Trends and Outlook:

Starting in 1984, the GOG undertook an ambitious program of reform, aimed at dismantling the 26 year-old centralized state-run economy. To this end, the GOG adopted measures designed to create a market economy and to open the country to trade and investment from the previously closed outside world. The measures achieved significant progress in downsizing and improving the performance of the public sector, improving the regulatory environment, liberalizing the price, exchange and trade system, and increasing the efficiency of the tax system. The GOG has demonstrated a commitment to continue on this path of reform, emphasizing privatization and liberalization.

In July 1996, due to the poor state of the economy and loss of credibility to the international financial institutions, the President created the office of Prime Minister and appointed a new cabinet. President Conte charged the new government with rekindling stalled economic reforms and creating a more accountable and transparent environment. The Prime Minister and the cabinet were to focus on economic objectives, leaving political aspects to the presidency. Specific goals included in-house financial reform, rationalization of public expenditures, and increased and improved government revenue/receipts collection. In February 1997, President Conte transferred the economic portfolio from the Prime Minister to the Minister of Finance and the Economy. The new minister has reaffirmed the government's economic goals. Despite these measures, there were corruption scandals in the Ministry of Finance and also Mines, and the initial attempts to drastically reduce government spending did not succeed.

Much remains to be done to continue the development process, despite Guinea's continuing progress at economic reforms. Because fiscal revenue projections consistently fall short, ad hoc expenditure reductions make it difficult to plan and execute much needed public investments. Although the GOG privatized substantial government holdings, it still dominates all major, previously state-owned, companies and holdings. For example, the President personally appoints the directors of all the utility companies.

Guinea has been able to sustain respectable rates of growth and, since 1993, low inflation. GDP growth rate for 1998 is 4.5% and 3.2% for 1999. Exchange rates, since 1999 have become very unstable and the resulting spread between the official and parallel market rates has risen to 7.7%. Under the Enhanced Structural Adjustment Facility Agreement (ESAF) with the IMF, the Central Bank decreased its participation in the foreign exchange market.

High unemployment, underemployment, and significant debt characterize Guinea's economy. Although official (formal sector) unemployment is estimated at over 50%, a 1996 World Bank study including employment in the informal sector puts the figure at 8-11%. Additionally, Guinea's external debt has risen to 3.34 billion dollars.

In early 1997, the Paris Club rescheduled a large portion of Guinea's bilateral public debt. The 1997 agreement restructured USD 123 million of debt, including a 50% forgiveness of eligible debt. The agreement is a significant sign of support from the international community for the government's economic reforms. Russia's September 1997 accession to the Paris club resulted in an up-front discount of 70% of Guinea's pre-1992 Russian debt, bringing the debt-to-exports ratio from 285% in 1997 to 207% in 1998. Guinea signed an agreement at the World Bank consultative group meeting in May 1998, which will reduce its debt by 720 million USD over the next three years.

A second ESAF agreement was signed in January 1998 providing Guinea with 96.8 million USD over three years to carry out structural reforms. The GOG committed itself to working with the IMF and the World Bank to continue reforms in order to strengthen revenue collection, restructure the banking system, and improve the management of public expenditure and the judiciary.

Principal Growth Sectors:

Highest growth sectors 1999

| | |
|---|---|
| Public Works | 8.2% |
| Industry / Manufacturing | 6.5% |
| Agriculture | 5.5% |
| Services | 1.8% |
| Trade | 1.6% |
| Mining | -0.0% |

Guinea's economy continues to depend heavily on the mining sector (particularly on bauxite), making the economy vulnerable to global trade fluctuations and recession. The mining sector accounts for 15% of GDP, and a significant portion of export earnings. The mining sector is expected to remain stable and account for 15% of GDP through 2001. The expansion and development of newly begun gold and diamond mining will further add to the dominance of the mining sector.

Other sectors with potential for strong growth include agro-industry, fisheries (especially development of a fishing industry), construction (roads, housing, public works), transport, and hi-tech services. Privatization in the telecommunications, banking, and energy sectors has opened up additional areas for foreign investment (growth data unavailable).

Substantial Malaysian investments in telecommunications and banking could open up those sectors to U.S. equipment investment (for example, providing cellular telephones and computer technology). While not as commercially lucrative as anticipated, this investment has upgraded the telecommunications industry, improving the telecommunications infrastructure and service. The Malaysians have also expressed intentions to invest in tourism, which, with improvements in infrastructure, could be another good opportunity for U.S. investors. The investors' forum held in May 1998 presented over 100 investment projects in agriculture, forestry, fishing, industrial, and public works sectors.

Government Role in the Economy:

The GOG plays a predominant role in all aspects of the economy, although the legislature does have some influence in budgetary priorities. The Central Bank is 100% controlled by the government's executive branch.

Although legal provisions for decentralization and economic development exist, in practice the national government exerts significant control over the political and economic choices of local communities. With Guinea's weak civil society, political leadership is largely unaccountable to the general Guinean population and its laws.

The GOG has slowly disengaged itself from productive and commercial activities through a 1995-1997 privatization program and plans to adopt a comprehensive privatization plan to complete the process. The GOG, for example, has sold its 49% stake in the country's largest bauxite mining company, Compagnie des Bauxites de Guinee (CBG) to the American company ALCOA.

The four main priority sectors for government spending are rural development, infrastructure, health, and education. The GOG planned on increasing expenditures in these sectors from 25% of the national budget in 1998 to 29.2% in 1999, but a downturn in the economy interrupted these public works programs. Still, the GOG has planned another increase for the public works program in the 2000 budget.

Balance of Payments Situation:

At the end of 1999, external debt totaled 3.34 billion USD, representing 74% of GDP. A February 1997 agreement with Paris Club debtors restructured USD 123 million in debt, including a 50% forgiveness of eligible debt. However, debt servicing continues to be a large part of the budget, consuming most of the mining receipts and about one-fifth of 1999's current receipts. In September 1997, Russia joined as a creditor in the Paris Club, which afforded Guinea further debt relief. In May 1998 at the World Bank consultative group meeting, Guinea received significant pledges of debt relief (700 million USD).

The current account deficit of Guinea (excluding public transfers) is 219.6 million USD, and is projected to decrease to 186.6 million in 2000. The overall balance of payments was 27.2 million USD in 1999 and is projected to drop to a deficit of 20.3 million in 2000.

Guinea remains dependent on mining exports for government revenue and for foreign exchange earnings. In 1997, mining receipts accounted for 75% of the GOG's foreign exchange earnings. Guinea received official grants and loans totaling about 300 million USD in 1999. Much of this consisted of programmatic or Project-level assistance for the development of infrastructure and advisory services, provided in conjunction with the GOG's Public Investment Program (PIP).

In an attempt to bolster their currencies, Central Bank Governors from Sierra Leone, Liberia, Ghana, Gambia, Nigeria, and Guinea have met for preliminary discussions on the creation of a common currency by 2003.

Infrastructure:

Although transportation, communications, and industrial infrastructure are improving, quality remains low, and quantity does not yet meet demand. Major infrastructure projects underway include rural road construction, water systems installation, public works, hydroelectric power, and thermal energy expansion. The country's principal centers are now accessible by paved roadways, due to new road construction and major road improvements. Local private transport is plentiful, though the quality is generally poor. There have been improvements in both the urban and rural water supply, although drinkable water still only reaches 75% of the urban population and 50% of the rural population.

Investment in electricity and energy production increased in recent years. Unscrupulous investors, poor management, and corruption, however, caused major setbacks in this sector, on both proposed and ongoing projects. For example, while the multi-donor financed Garafiri Dam was completed in the year 1999, its total megawatt output will not meet Guinea's short-term needs.

The telecommunications industry is now partially privatized with the majority of the private investment coming from a Malaysian telecommunications consortium. The consortium has significantly increased the number of phones, though communication links between Conakry and the interior are still unreliable. Cellular phone service is available in Conakry through three service providers and gives a somewhat more reliable alternative to domestic phone service.

Guinea is one of the countries benefiting from the U.S. Leland Initiative, which brought full Internet service on-line in September 1997. Currently, there are nearly 1000 Internet subscribers, with efforts being made to link the country's legislature and its major universities to the Internet.

In addition, a Memorandum of Understanding (MOU) that was signed with the USG has provided Internet to three secondary cities: Labé, Kankan and N'zerekoré.

## III. POLITICAL ENVIRONMENT

### Nature of Political Relationship with the U.S.:

The U.S. and Guinea have maintained continuous diplomatic relations since Guinea's independence in 1958. U.S. development assistance to Guinea concentrates on long-term development objectives. The U.S. Agency for International Development provided an average of 17 million USD annually for 1995-1999, with priority given to education, health, agricultural marketing, rural road construction, and rural enterprise development. USAID allocated its 1999 budget of 18 million USD in the areas of education, health/family planning, natural resource management, and improved governance and democracy. USAID granted a three-million USD assistance package to promote sustainable development and protection of natural resources, which have been overexploited due to the influx of refugees from neighboring Liberia and Sierra Leone.

The United States Department of State operates an American Cultural Center, which includes a library, Internet, and hosts a lecture series on a variety of topics. There are over 100 Peace Corps volunteers working in education, health, and natural resource management throughout Guinea. Since 1999, the Department of Defense has provided cooperation in civil-military affairs through a Defense Attache's Office.

Major Political Issues Affecting Business Climate:

The two major issues affecting the business climate are the need for fiscal reform and administrative/judicial reform. In spite of investment incentives, large businesses and foreign interests often contribute more than their share of taxes, utility costs, and other fees due to inequitable billing and collection, fraud, and non-payment for services. Current fiscal reform efforts, in conjunction with the World Bank and the IMF, aim to increase the tax base by improving the billing and collection processes.

The judicial and administrative systems need significant improvements to enhance institutional capacity in order to create a stable investment climate. New government initiatives, such as one-stop business registration and the creation of an arbitration court to handle business disputes, are aimed at ameliorating the situation by facilitating procedures and increasing transparency within these systems.

Political System, Schedule for Elections, and Orientation of Major Political Parties:

In December 1993, the GOG held its first multi-party presidential election since gaining independence in 1958. While not a completely transparent process, the balloting attracted large voter turnout, and Guineans elected Lansana Conte to a five-year presidential term. Conte was re-elected in a December 1998 election that was marred by charges of official intimidation and voting irregularities.

Guineans voted in their first multi-party legislative and municipal elections in 1995. Scattered violence marked the elections, and international observers noted irregularities in the electoral process. However, the elections installed Guinea's first multi-party national assembly, which completed the institutional transition to democracy. The next legislative elections are slated for November 2000.

There are 10 political parties represented in the National Assembly. The government party (PUP) holds the majority of seats. Five other major parties, accounting for one-third of the seats in the assembly, are aligned in a coalition known as "CODEM" which forms an active opposition.

The communal elections of June 2000 were marked by violence, intimidation, and inconsistencies. Mr. Sidya Touré, the former Prime Minister, is now heading a new political party, Union des Forces Republicaines (UFR), and presented candidates for the June 2000 communal elections. His re-entry into politics was seen as a critical challenge by the PUP and confrontations occurred between UFR and PUP supporters, claiming eight lives. The ruling PUP and its allies won 32 of the 38 communes, amid opposition charges of electoral fraud and malfeasance.

In February 1996, a two day-long military mutiny resulted in 20 to 50 deaths, the majority civilian. It ended when the President agreed to address the soldiers' grievances, involving salaries and benefits. The GOG subsequently arrested several hundred alleged mutineers. Many were released after months of detention; the remaining 98 were finally brought to trial in 1998. In 1997 President Conte appointed Guinea's first civilian Minister of Defense since 1984.

In March 1998, rioting broke out after the GOG demolished houses in the Ratoma commune, illegally constructed on public land, leaving nine dead and 100,000 homeless. Over 50 people were arrested following the riots, including three members of the National Legislative Assembly.

During the December 1998 presidential elections, the Government ordered the closure of all land frontiers. On December 15, presidential candidate Alpha Condé, leader of the political party RPG (Rassemblement du Peuple Guinéen) and three others were arrested in Piné, Lola, near the Liberian border. Condé was subsequently charged with illegal use of military force, undermining the state authority and the integrity of the national territory, use of violence against a state security officer, wrongful possession and transfer of foreign currency, and illegal attempt to cross the frontier. Condé's arrest led to street protests by RPG militants in Conakry, which were repressed by Guinean police, resulting in the arrest and detention of many protesters.

The GOG continued its investigation and later arrested and charged several civilians and military officers in connection with Condé. In April 2000, Alpha Condé and forty-seven others were finally brought to trial. A team of international attorneys defended Condé, after a failed attempt to pressure the GOG into his release. When the Court refused to nullify the case based on Condé's parliamentary immunity, the legal team resigned in protest. The Court immediately appointed other lawyers to defend Condé and his co-defendants. As a result, Condé and one other have rejected those lawyers and have since refused to speak in court. As of July 26, 2000, about 70 witnesses have testified in court and the court is expected to hear closing arguments soon.

## IV. MARKETING U.S. PRODUCTS AND SERVICES

Distribution and Sales Channels:

Each industry has its own policy and network for sales and distribution. Sales of products of mass consumption usually occur through wholesalers who import in bulk for resale to small traders or distributors in the interior. Retailers often directly import luxury consumption goods. In general, mining, utility, and industrial firms conduct heavy equipment sales directly with suppliers. Service and customer support are available only if negotiated at time of sale. For sales to the government, advance payment is recommended. Conakry, Guinea's capital, has two large marketplaces, numerous small shops, and a handful of medium-sized grocery stores. There is a significant informal trading sector.

Use of Agents and Finding a Partner:

Entering a successful partnership or representational arrangement can be difficult in Guinea's developing private sector. Because the judicial system is not fully transparent and accounting practices are not very reliable, U.S. businesspersons should exercise extreme caution when entering contract arrangements locally. The newly installed arbitration court may help to expedite the resolution of disputes if difficulties arise.

In addition to the U.S. Embassy Commercial Officer, the local Chamber of Commerce, the employers' association, and GOG offices of private investment promotion are good central points of contact with the local business community (see-Appendix E).

Franchising:

No franchises currently exist in Guinea. The market for such products is very small.

Direct Marketing:

Although the government permits direct marketing, there are no such companies currently operating in Guinea.

Demonstration events or product fairs are generally best for new high technology or specialty products targeting a small market niche in Conakry (see-Appendix G). Smaller, specialized fairs occur in hotel space available in Conakry or through agreement with a local partner or GOG office. No U.S. products have been showcased in this manner within the past 3 years.

Steps to Establishing an Office:

Registry of a business is relatively straight-forward. Legal incorporation for new investments involves signing by-laws, depositing the start-up capital in a blocked bank account, registering the company at the register of economic activities, and announcing the incorporation in a journal for legal notices. The process is centralized at the Center of Business Formalities (Centre de Formalities des Entreprises) in the Office for the Promotion of Private Investment (OPIP), the one-stop business registration office.

A new business pays fees of 100 USD; plus submits two photos of the company's Director, Managing Director, or Agent; a local residence certificate; police clearance; and a visa (if a foreigner). Individuals pay 50 USD to register and co-operatives register free of charge.

The Six Categories of Companies Recognized by the Code of Economic Activities Include:

-- joint stock companies, either S.A. (capitalization of at least 50,000,000 Guinean francs, approximately 40,000 USD in 1998) or S.A.R.L. (minimum capitalization of 5,000,000 Guinean francs, approximately 4,000 USD in 1998);
-- partnerships;
-- non-trading real estate companies;
-- professional services companies;
-- cooperatives;
-- special and grouping companies, including joint venture companies, de facto companies, temporary groupings.

Application for a privileged regime, a company qualifying for tax and import benefits, is more complicated (see-performance requirements and incentives). Application procedures involve signing a convention with the Ministry of Finance, gaining approval of the ministry with technical jurisdiction over project activities, and gaining approval of the National Investment Commission (CNI). In practice, ministers of respective sectors also sign conventions for privileged regime status.

Post-registration and licensing regulations are, for all practical purposes, non-existent. For privileged regimes, the documents outlined in the section on performance requirements must be filed with the CNI, but there is little oversight. Most often, the CNI or the Ministry of Finance deals with investors experiencing difficulties with the tax administration or with customs officials who fail to recognize the advantages granted in an investor's convention. The CNI also has the discretionary power to renew a privileged tax regime after the initial period expires.

Selling Factors/Techniques:

The Guinean population is 85% Muslim, and Islam plays a major role in shaping the customs and habits of the local business culture. U.S. businesspersons should be familiar with the basic tenets of Islam to facilitate business dealings.

Friendship and trust are very important in Guinean culture. It takes time to build a successful working relationship in Guinea, and effort, patience, and face-to-face contact may be required to bring business transactions to fruition.

Advertising and Trade Promotion:

The print media is free and flourishing in Guinea, subject only to occasional government interference. There is one government daily newspaper and six major independent weeklies. There are also one to two monthly commercial (advertising) journals. A complete list of periodicals can be found in Appendix H. Also, L'Intelligent (formerly known as Jeune Afrique_, a weekly newsmagazine emphasizing African economic and trade issues, circulates widely in Conakry. The broadcast media (radio/TV) are entirely under GOG control.

There are three major trade fairs in Conakry: 1) agriculture, industry and artisan fair held in January/February; 2) Guinean products fair held every May/June; and 3) Conakry International Fair, held every two years in November (see-Appendix G). The Investors' Forum held in May 1998 was the first-ever investment conference in Guinea.

Pricing Product:

While U.S. goods are extremely popular in Guinea, the low-income market favors low cost goods. For example, the local construction sector favors low quality and low cost materials, putting higher quality/cost U.S. materials at a disadvantage. For low cost items, if the difference in cost is not significant, consumers prefer U.S. products. The average mark-up is 25%.

Selling to the Government:

The rules governing sales to the GOG vary depending on the amount of investment and source funds. Donor countries and institutions stipulate the bidding and awarding rules for foreign financed public investment projects. The AGCP (Guinean Central Procurement Agency) handles projects/contracts over one million USD. The public market (marche publique) handles projects/contracts under one million USD. These projects/contracts generally go to Guinean-based companies. The various ministries and government organizations are responsible for the procurement of their own materials and services (not as part of an investment project); they generally order from local representatives or from foreign sources. In many cases, the GOG does not meet payment obligations in a timely fashion, so advance payment is strongly recommended.

Protecting Your Product from IPR Infringement:

Guinea has been a member of the World Intellectual Property Organization (WIPO) since 1981, a signatory of the Paris convention on intellectual property, and several other intellectual property right treaties. To ensure compliance with standard patent laws, Guinea works closely with the African Organization for Intellectual Property (OAPI) based in Yaounde, as well as with UNIDO. Guinea is currently revising the intellectual property right laws to bring them up to international standards.

Detailed IPR registration procedures exist, and the Intellectual Property Office in the Ministry of Commerce and Industry is well trained for the registration of copyrights and patents. There is no administrative or regulatory system in place, however, for enforcement. There are no inspectors in the IPR office in Guinea and only one regional OAPI inspector based in Cameroun. IPR enforcement, therefore, relies on the Guinean judicial system.

Need for a Local Attorney:

The use of a local attorney as a source of consultation and guidance, especially in the case of business disputes, is prudent. The judicial system in Guinea is in the intermediate stages of development, and is often accused of corruption. But the newly created arbitration chamber court may alleviate some problems. It is a non-political organization run by a committee of seven respected lawyers and magistrates. Currently, the chamber has a light caseload, but it has inspired a good deal of confidence. Still, an attorney familiar with local practices is essential. The U.S. Embassy maintains a list of local attorneys in the consular section, and a list is also available from the GOG Ministry of Justice.

Performing Due Diligence/Checking Bona Fides of Banks, Agents, and Customers:

There is no existing agency through which American businesses can verify the credit background of counterparts in Guinea before entering into business. The U.S. Embassy suggests requiring a letter of credit before commencement of business transactions.

## V. LEADING SECTORS FOR U.S. EXPORTS AND INVESTMENT

Best Prospects for Non-Agricultural Goods and Services:

Non-agricultural sectors with the best prospects for U.S. exports in the short and medium-term include the following: machinery and equipment, petroleum products, construction/semi-finished material, telecommunications and hi-tech equipment (computers, soft/hardware), and consumer goods (canned/dry supermarket goods, textiles, used clothing, alcoholic and non-alcoholic beverages, tobacco products).

Machinery and equipment: Imports of machinery and equipment totaled 213.8 million USD, in 1999. It is estimated that imports will increase to 239.5 million USD in 2000. U.S. heavy mining equipment, agricultural machinery, and industrial vehicles have penetrated the local market. American exporters have the opportunity to increase supplies of industrial equipment and machinery, assuming continued manufacturing and construction activity. Expansion will depend on exporters' persistence in overcoming third-country competition.

Petroleum products: Guinea imported 105.1 million USD in petroleum products in 1999. The GOG no longer monopolizes petroleum product imports and commercialization, and presently has only a 7% share in the national petroleum board, Guinean Petroleum Society (SGP). In addition, Mobil Oil received its final expropriation compensation payment from the GOG in 1996, and was granted permits for 11 lots for service stations in Guinea. Four service stations are completed and operating, and one is under construction. Competitors for petroleum product imports are Cote d'Ivoire, Gabon, the Netherlands, Italy, Brazil and France. Primary competitors for distribution in Guinea are France (Elf, Total) and Great Britain (Shell).

Construction/semi-finished material: Donor projects and a local construction boom fueled large imports of construction and semi-finished materials. The nationality of locally based expatriate companies, as well as the nationality of the project funders, influences the imports chosen to support the construction sector's development. The construction and public works sector accounted for about 9 % of GDP in 1999.

Guinea imported 373,938 metric tons of construction and semi-finished materials in 1997. 194,4 metric tons of clinker (material used in cement) were imported in 1999. In 1999 189,227,460 metric tons of cement were imported.

Telecommunications and hi-tech equipment: High technology products, including communications equipment and services, are seeing a marked opening. (There are no import statistics on these products.) The planned expansion of services by Malaysian investors (to increase the number of phone lines in Guinea by 2004 to 264,760 subscribers and to provide Internet services) will increase demand for products such as cellular phones, relay towers, and switches. SOTELGUI, Guinea's largest cellular and Internet service provider, reported 44,049 cellular phone service subscribers in 1999 and expects to expand services to 100,000 users in 2000. SOTELGUI currently has about 1000 Internet subscribers.

Consumer goods: Consumer goods accounted for 330,636,446 kg worth of imports in 1999. Imports of non-alcoholic beverages in 1999 were 5,801,033 kg. Tobacco imports for 1999 are 7,100,098 kg. Used clothing, cosmetics, and hair care products are also big imports but are mostly sold in the informal market, making exact statistics difficult to compute.

Best Prospects for Agricultural Products:

Although Guinea's agricultural sector employs approximately 75% of the labor force, production accounts for only 21% of the country's gross domestic product. The large majority of production is at the smallholder/subsistance level. Over half the growth in agricultural production in recent years is due to an increase in the land under production, not to an increase in efficiency and yields. This has significant environmental impact and cannot be sustained over the long term.

In spite of the growth of domestic agriculture, Guinea is still a large importer of agricultural products. Imported food products accounted for 105.1 million USD in 1999. Leading food product imports in 1999 include (measured by volume): rice (161,231,830 kg), flour (117,520,331 kg), sugar (2,208,315 kg), onions (10,329 metric tons), cooking oils (15,050,714 kg), dairy products (338,563 metric tons), condiments/spices/salt (14,485,157 kg). (source: Conakry Customs, Ministry of Agriculture)

Guinea's largest suppliers of rice (1998 to 1999) are Vietnam, Pakistan, China, and Taiwan. Flour imports originate largely in France with some Senegalese contribution. Principal sugar suppliers include Belgium, France, and Senegal.

Periodically, the GOG takes measures to protect domestic agricultural production. For example, during the Guinean potato and onion harvests the government reduces foreign potato and onion imports. In addition, the European Union (EU) has several export subsidy programs. These have enhanced the EU share of Guinea's imports of flour and dairy products.

Two other areas that may offer potential for U.S. exports are wheat (now that there is a local wheat flourmill), and livestock feed (livestock production growth projections are 5.5% for 2000).

Guinean agricultural exports have increased substantially, aided by recent efforts at the systematic marketing of cash crops -- notably pineapples, coffee, cocoa, and cotton. In 1999, Guinea exported 8,606,788 kg of coffee. Export of palm products was 4,260 kg 1999. Cacao accounted for 2,996.7 metric tons of exports. Cotton export was 15,000,000 kg in 1999. Export of fish products was 607,636 kg in 1999. In 1999 320,000 kg of pineapple was exported. Possibilities for investment include agro-industry and food processing.

For interested U.S. exporters, Guinea is eligible for three regional USDA export subsidy programs: a wheat export enhancement program, a dairy export enhancement program, and a GSM-102 credit program. For further information, please contact the U.S. Department of Agriculture, Foreign Agricultural Service, Room 4071-South Building, Washington, D.C. 20250-1000.

Major Local and Third-Country Competitors in Specific Sectors:

France is Guinea's strongest traditional economic partner. The French government provides extensive development assistance, and French businesses are active in a variety of sectors including banking, insurance, shipping, communications, construction, agricultural export, and manufacturing. Canadians and Belgians also have a strong local presence.

In 1996, Malaysians began investing in Guinea in the telecommunications and banking sectors and have expressed interest in investing in construction, tourism, and agriculture. Another visible business presence is the traders of Lebanese origin in the informal sector. This group is also involved in the formal sector in the areas of real estate, small manufacturing enterprises, telecommunications, supermarkets, wholesale food, and electronics.

Significant Investment Opportunities:

Mining: Guinea's considerable mineral and metal resources have long been the critical source for GOG budget revenues and an enormous potential area for future wealth, although some privatization and some short-sighted deal making has reduced Guinea's receipts. Guinea possesses one-third of the world's bauxite with an estimated 18 billion-ton reserve. Guinea also possesses one of the last high-grade iron ore deposits, as well as untapped reserves of gold, diamonds, and other gemstones and precious metals that are in the beginning stages of exploration. Mining accounts for 15.2% of GOG revenue, and 62% of exports. Mining production remained stable in 1999, with a 4.2% growth projection for 2000.

Industry/manufacturing: Guinea's small industrial and manufacturing sector grew 6.5% in 1999 with a projection of 6.7% growth in 2000. This area is dominated by agro-food processing, which constitutes 38% of the sector. Although industry and manufacturing account for only 4%

of Guinea's GDP, these sectors are import-intensive and have good expansion potential. In 1999 Guinea imported 111.3 million USD of intermediate goods and industrial products.

Transportation: The transportation sector grew by 1.5% in 1999 with a growth projection of 4.2% in 2000. Guinea has spent 350 million USD on transportation infrastructure since 1986. Rural development is one of the GOG's priority areas and the GOG consistently plans on dedicating more budgetary resources to it, each year.

Energy: Although there were several publicized investment failures in 1996 and 1997 (mainly due to corruption and poor management), reforms and privatization efforts in the energy sector will create opportunities for foreign investment. Water and electricity production grew by 6.3 % in 1999 with a growth projection of 8.0% in 2000. In 1999, energy production increased, due to the completion of the hydroelectric site at Garafiri. The French and Canadians are the primary investors in the energy sector.

There is a large potential for further expansion of the hydroelectricity industry in Guinea. A survey of dam sites revealed an estimated potential hydraulic energy output of 100 billion kwh per year.

Fisheries: Guinea has superior fishing resources with over 300 km of coastline and an 80 km continental shelf. The World Bank estimates that Guinea's annual ocean fisheries potential exceeds 200,000 metric tons. Many of the species found in Guinean waters are of high commercial value. Since 1990, shrimp farming, cold storage facilities in 14 of the country's prefectures, and several small commercial fishing trade ventures account for much of the growth in this sector. There is room for expansion as the majority of fishing is still artisanal. The fishing sector grew by 5.0% in 1999 with a growth projection of 7.0% in 2000.

GOG investment projects: The GOG presented over 100 private and public investment projects, totaling more than 150 million USD, at an investors' forum in May 1998. The United Nations Development Program (UNDP) and the United Nations Industrial Development Organization (UNIDO) provided funding for the projects. Projects were in the agriculture, fishing, industry, and public works sectors. For more information on the projects, contact OPIP (see-Appendix E).

The government of the United States acknowledges the contribution that outward foreign direct investment makes to the U.S. economy. U.S. foreign direct investment is increasingly viewed as a complement or even a necessary component of trade. For example, American firms that have operations abroad sell roughly 60% of U.S. exports. Recognizing the benefits that U.S. outward investment bring to the U.S. economy, the government of the United States undertakes initiatives such as Overseas Private Investment Corporation (OPIC) programs, investment treaty negotiations and business facilitation programs, to support U.S. investors.

## VI. TRADE REGULATIONS AND STANDARDS

Trade Barriers (Tariffs, Non-Tariff Barriers and Import Taxes):

In 1994, through a variety of income and import tax increases, the tax burden on international businesses increased significantly. International financial experts in Conakry noted that the new code hit medium to large expatriate ventures most immediately, and diminished the margin of benefits originally intended to compensate investors for Guinea's poor infrastructure and difficult work environment.

In 1996 the GOG added a value-added tax (VAT) to all taxable items at a uniform rate of 18%. Exports, international transportation, and certain basic food items are excluded.

In 1998, the GOG focused on improving tax administration and collection in order to increase non-mining revenue. The increase in non-mining revenue is generated by the implementation of a unique land tax, non-tax revenues (mostly user fees), and strengthened implementation of the vat. In 1997, VAT coverage was extended to include the mining sector.

Import Tax:

Guinea has a flat import tax rate of 33% on most imports. However, some privileged regimes (described in the section on performance requirements and incentives), some public investment projects; and donor organizations can receive exemptions. Privileged regimes have an exemption on import duties for machinery and equipment for use on investment projects and a 6% duty on raw materials. Basic food and agricultural products are taxed at 1-2%, and some items (medicines, for example) are tax-exempt.

A surtax is imposed on luxury items, such as vehicles, alcohol, tobacco, and other consumer items. The surtax varies from 20 to 70%. The surtax is 20 to 30% for vehicles. A full schedule is available upon request from the customs office.

Customs Valuation:

Corruption remains a significant factor in clearing product through customs. In 1996, the GOG appointed a new company (SGS-Swiss) to manage customs. SGS assesses customs values, tariff rates, and customs duties and monitors the collection of customs duties and taxes (paid through local commercial banks). SGS assists companies in getting through the customs process and performs any shipment inspections required by the GOG. On occasion this equates to a duplication of effort and complicates the clearance process. Often, customs and SGS do not communicate effectively and products remain at the port or airport for extended periods. The GOG hopes this will tighten the customs clearance process and reduce corruption and fraud.

After customs declaration and prior to clearance, importers must verify the value of goods imported. Following valuation, customs issues a bill for duties owed, which must be paid directly to the Central Bank or to a local commercial bank. With the Central Bank receipt, merchandise can be cleared through customs. A variety of local shipping agents are available to assist in this process, and with warehouse storage of incoming goods.

Import Documentation/Licenses:

The government requires importers to obtain formal import authorization (Demande Descriptive d'Importation - DDI) from the Central Bank if importing quantities exceeding 5,000 USD in value.

Export Documentation/Controls:

The GOG requires exporters to obtain formal export authorization (Demande Descriptive d'Exportation - DDE) from a commercial bank, and to present a certificate of Guinean origin to the Office of Foreign Commerce. According to the GOG, with the exception of gold and diamonds, exporters are not taxed.

Temporary Entry:

Temporary exemptions from import duties are accorded to those importers fulfilling government contracts. At the end of the contract period, or after three years, items must be exported or the company and the GOG agree on a fixed rate total tax (which will be less than paying each of the different duties separately).

Labeling/Marketing Requirements:

There are no labeling or marketing requirements for exports or imports.

Prohibited Imports:

Prohibited imports include firearms, military equipment, and narcotics.

Standards:

Product and service quality standards are neither applied nor enforced in Guinea. Importers, however, may request that specific international product requirements or standards be applied to Guinean products.

Free Trade Zones/Warehouses:

Guinea has no free trade or export processing zones or warehouses, but a temporary license to conduct free trade transactions can be obtained with special permission from the Ministry of Finance.

Membership in Free Trade Arrangements:

Guinea is a member of the Mano River Union, which creates a customs union between Guinea, Sierra Leone, and Liberia. Guinea is also a member of the Economic Community of West African States (ECOWAS).

## VII. INVESTMENT CLIMATE

Openness to Foreign Investment:

Guinea is a relatively small market, but GOG investment policies and consumer interest in American products make it an open and attractive market for U.S. investment. The investment code of 1987 guarantees the right of all individuals or private legal entities of both Guinean and foreign nationality to undertake any economic activity in accordance with current laws and regulations. Thus, Guinea is open to direct foreign investment, and to this end, an investment promotion unit exists within the Ministry of Commerce and Industry.

Laws governing takeovers, mergers, acquisitions, and cross-shareholding are limited to rules for documenting financial transactions and filing any change of status documents with the economic register.

The investment code authorizes private investment of all types--foreign private, mixed foreign and local, or public-private mixes. The government of Guinea provides a guarantee, in the 1987 investment code, that it will not, except for reasons of public interest, take any steps to expropriate or nationalize investments made by individuals and companies. The investment code also grants that, subject to the laws of the country, foreign investors and corporations will receive the same treatment as Guinean nationals.

The mineral liberalization policy of 1992 legalized wholly private ventures in the mining sector. The Ministry of Natural Resources and Energy accords authorization and licensing at its own discretion. In order to attract major investment and to restore competitiveness in the sector, the GOG passed the 1995 mining code. The code provides for the GOG's gradual divestiture of its capital in mining companies, significantly reduces the requirements for GOG participation in mining ventures, and allows favorable tax treatment for the duration of mining claims (including VAT exemptions during prospecting, construction and expansion stages). The GOG has initiated moves to sell its shares in the country's largest bauxite mine, the CBG consortium.

The telecommunications liberalization policy of 1992 allows for private activity in the value-adding services sector -- including cellular, radio, satellite, on-line data transmission, and other services. Licensing and administration, however, are regulated by the GOG telecommunications company, SOTELGUI, and the Ministry of Communications. In 1996, the GOG sold half its shares of SOTELGUI, formerly a GOG telecommunications monopoly, to a Malaysian telecommunications consortium.

Private operators now manage the production, distribution, and fee collection operations of water and electricity under performance based contracts. The GOG hopes to strengthen the financial health of the energy sector by improving invoicing and collections, containing costs and improving services. The 1995 elimination of the public monopoly on petroleum product imports and commercialization means private distributors are now operating in Guinea.

One hundred percent foreign ownership is permitted in commercial, industrial, mining, agriculture, and service sectors. Industries that are restricted from having a majority of foreign ownership are radio, television, and newspapers. The government owns and operates the electronic media.

Conversion and Transfer Policies:

Individuals or legal entities making foreign investments in Guinea are guaranteed the freedom to transfer to any country of their choice: the original foreign capital, profits resulting from investment, capital gains on disposal of investment, and compensation paid in the case of nationalization or expropriation of the investment. Unless there is a foreign exchange crisis, such transactions can take place upon request, although some expatriate businesspersons complain of periodic delays or shortages.

Expropriation and Compensation:

The government of Guinea provides a guarantee, in the 1987 investment code, that it will not, except for reasons of public interest, take any steps to expropriate or nationalize investments made by individuals and companies. It also promises fair compensation for expropriated property.

There have been no known overt expropriations of foreign property since 1984. Mobil settled a long-standing expropriation case in 1996.

Dispute Settlement:

The 1987 investment code states that disputes resulting from interpretation of the code shall be settled by competent Guinean judicial authorities in accordance with laws and regulations. In practice, however, a fair settlement may be difficult in such cases. Although the Guinean constitution creates an independent judiciary, businesspersons frequently claim that poorly trained magistrates, high levels of corruption, and nepotism, plague the administration of justice.

The GOG is in the process of implementing a wide range of reforms in order to strengthen the judicial system and ensure a favorable climate for economic development. The government has established an arbitration court, independent of the Ministry of Justice, to settle business disputes in a less costly and more expedient manner. The arbitration court is based on the French “prud homme” system and the GOG started full operations by the beginning of 1999. Arbiters will be representatives of the Guinean business sectors, not current lawyers or judges, and will be supervised by the Chamber of Commerce.

Investors should know that, in many cases, the GOG does not meet payment obligations to private suppliers of goods and services -- both foreign and Guinean -- in a timely fashion. There is no independent enforcement mechanism for collecting debts from the GOG, although some contracts have international arbitration clauses. Law binds the GOG to honor judgements made by the arbitration court.

According to the code of economic activities, a company declaring bankruptcy can be held responsible for its debts through the Guinean court system. Monetary judgements are usually made in local currency.

In 1986, Guinea ratified the March 1985 international convention on the settlement of investment disputes between states and nationals of other states and is a member of the International Center for the Settlement of Investment Disputes (ICSID).

Performance Requirements and Incentives:

The 1987 investment code created an advantageous regime for investments in high priority sectors and industries, such as small and medium enterprises, export-oriented enterprises, value-added activities, or investments in less-developed zones of Guinea. The National Investment Commission (CNI) determines eligibility for benefits on a case-by-case basis according to the investment code. In practice, the ministers responsible for the concerned sector can also accord these benefits.

High priority sectors include: agricultural production, especially food crops and rural development; agro-industry, including food processing and transformation phases; animal breeding, including health protection installations; fishing, including preservation and transformation facilities; mechanical or chemical preparation/transformation of mineral, plant, or animal products; health and education; tourism and related activities; housing construction; development banks and financial credit institutions.

Investors in high priority sector privileged regimes enjoy an exemption from import duties and turnover taxes on the import of equipment, material and machinery necessary to implement their investments (excluding vehicles for personal transport) during the period of initial investment or during a period of expansion investment. This exemption is not applicable to the VAT (value added tax). Businesses are responsible, however, for a 2% (FOB value) registration tax on such imported equipment. Raw material imports are subject to a one-time 6% import tax and are exempted from all other taxes (except the VAT) without time limit. Each year the customs service determines the amount of raw materials eligible for these benefits.

For a period of one fiscal year following the completion of the above benefits, the Commercial/Industrial/Company (C/I/C) tax base is reduced by 50%. For the second fiscal year following the completion of the same benefits, the C/I/C tax base is reduced by 25%.

Privileged regimes can also receive income tax exemptions, discounts on social security payments for Guinean employees during the first five years of operations, and a 50% income tax reduction for the following three years of operations. Requirements for investors to maintain privileged regime status are covered below.

A small or medium sized enterprise (SME) is defined as an enterprise which meets all of the following conditions: the value of assets (excluding land and working capital) must be between 15 and 500 million Guinean francs (12,000 to 400,000 USD); the business must employ a minimum of five full-time employees; bookkeeping must be regularly kept up to date. To benefit from the regime, the investment must be in a high priority sector and have at least 20% of the value in cash.

SMEs benefit from the following specific advantages: exemption from the payment of the minimum income tax for a period of three fiscal years from the start date of operations; tax on profits at the preferential rate applicable to self-employed craftsmen, or at a rate equal to two thirds of the normal rate if this is lower, for a period of five fiscal years from the start date of operations.

An export-oriented firm is defined as a manufacturing or service enterprise which exports non-traditional, non-mining products of Guinean origin, and whose actual sales receipts from exports during a given fiscal year is more than 22% of the total turnover of the company for the same year. To qualify as an exporting firm investment must be in a sector considered high-priority (detailed above), with 33% of the investment in cash. Objectives concerning the creation of jobs and the training of local staff must be submitted to the CNI.

During the first five years of operations, exporting firms can be exempt from corporate income tax on the amount of profits which are equal to the proportion of export sales to total sales, up to a ceiling of 60%. The normal corporate tax on profits is 35%.

Any firm whose intermediary goods, in a year of production, are more than 50 percent of Guinean origin is defined as a value-adding firm. Imported materials may be added to the Guinean intermediary goods as long as the value of these materials or goods is less than 50% of the total value of the final product (obtained after transformation/ production in Guinea). The sector of investment must be a high priority one, with 33% of the investment in cash. A plan for the creation of Guinean jobs and the training of local staff must be submitted to the CNI.

Value-adding enterprises may deduct from taxable income an amount equivalent to 20% of the value of the Guinean-origin materials consumed during each of the first five fiscal years of operation.

Enterprises in less developed zones are also eligible for investment incentives. The 1995 revisions to the investment code divide Guinea into four zones, each contain various prefectures.

a) zone one comprises Conakry, Coyah, Dubreka, Forecariah and, Boke.
b) zone two comprises Boffa, Fria, Kindia, Mamou, Dalaba, Pita, Labe, Dabola, and Faranah.
c) zone three comprises Kissidougou, Gueckedou, Kankan, Macenta, N'zerekore, Kouroussa, and Telimele.
d) zone four comprises Koundara, Gaoual, Mali, Lelouma, Tougue, Koubia, Siguiri, Dinguiraye, Mandiana, Kerouane, Beyla, Lola, and Yomou.

A business is within a specific zone when: 1) at least 90% of the personnel work in a locale within the zone; and 2) the main office and the principal centers of activity are located within the zone.

Favorable regimes also receive a C/I/C tax exemption for the first three years of operations in zone one, the first five years of operations in zone two, the first six years of operations in zone three, and the first eight years of operations in zone four.
Enterprises in less developed zones are eligible for a reduction in their turnover taxes for the first five years of operation at the following rates: 20% reduction for zone two firms; 40% reduction for zone three firms; and 40% reduction for zone four firms. Again, these reductions do not apply to the VAT (value added tax).

The expansion of an existing enterprise is eligible for investment incentives if the expansion creates a minimum of 25 new permanent positions of employment and investment equals at least 25% of the initial investment, or at least 500,000,000 Guinean francs (approximately 304,000 USD at July 2000 rate of 1645GF/1USD). Separate bookkeeping records must be kept for the project extension.

In order to retain privileged investment treatment over the period of preferential status, the investment code stipulates fulfillment of the following performance requirements, subject to review by the CNI:

-- carry out the defined investment projects;
-- provide the documents stipulated in the decree;
-- conform to national and international quality standards;
-- maintain accounting records according to the standard chart of accounts in force in Guinea;
-- allow for an annual audit by an authorized specialist in Guinea;
-- produce goods which match those produced in Guinea in regard to prices and quality;
-- give priority to the recruitment of Guinean nationals in the case of equivalent qualifications;
-- train and give promotions to staff of Guinean nationality;
-- maintain the level and quality of the investment;
-- submit the audited annual accounts to the tax administration.

There are no formal performance requirements attached to non-priority investments.

Right to Private Ownership and Establishment:

The investment code of 1987 guarantees the right of foreign and domestic private entities to establish and own business enterprises and to engage in all forms of remunerative activity, except that prohibited for the purposes of national interest. Both in theory and in fact, private entities are free to acquire and dispose of interests in business enterprises. There is little regulation of business transactions or interests and no government body exists that is equipped to do so. With no conflict of interest legislation, government officials engage in private business interests to the extent that opportunity allows. Also, a heavy concentration of business interests in the hands of a single family is not uncommon.

In order to assure competitive equality, private and state-owned companies are guaranteed equal treatment, except in cases where the national interest is at stake. This is applicable in the case of taxation and market access.

Protection of Property Rights:

The land tenure code of 1996 provides a legal base for documentation of property ownership. As with ownership of business enterprises, both foreign and national individuals have the right to own property. However, enforcement of these rights depends on a corrupt and inefficient Guinean legal and administrative system. As of yet, few cases exist which demonstrate that the legal system provides much effective protection in property rights dispute cases.

Guinea is a member of the African Intellectual Property Organization (OAPI) comprised of 15 African countries and the World Intellectual Property Organization (WIPO). OAPI is signatory to the Paris Convention for the Protection of Industrial Property, the Berne Convention for the Protection of Literary and Artistic Works, the Patent Cooperation Treaty, the TRIPS Agreement, and several other intellectual property treaties.

Guinea is currently modifying its intellectual property rights laws to bring them up to international standards by the year 2000. The modifications are currently under review by the legislature. There have not been any formal complaints filed on behalf of American companies concerning intellectual property rights infringements in Guinea.

Transparency of the Regulatory System:

Senior members of the current GOG publicly acknowledge shortcomings of the Guinean judiciary, including corruption and lack of training.

Guinea's laws are designed to promote free enterprise and competition, but according to local and expatriate businesspersons the GOG lacks transparency in the application of the law.

The application procedures are sufficiently opaque to allow for significant corruption, and regulatory activity is often applied based on personal interest. The GOG, however, has committed itself to strengthening the judicial and legal institutions in order to attract more foreign investment and improve its economic condition.

The World Bank and IMF have been working with the GOG to increase transparency and efficiency of the judiciary through several training and awareness programs for both judicial and executive branch members. Also, the installation of an independent arbitration chamber may help protect foreign business people from corruption within the judicial system (see-dispute settlement).

Efficient Capital Markets and Portfolio Investment:

Credit for both private and public enterprises is extremely difficult and expensive in Guinea.

Guinea has no policy on outward direct investment. The rules of investment govern the export of capital and allow the conversion and transfer of start-up capital at the time of disinvestment. The conversion and transfer of profits is negotiated at the time of investment, to be honored on a monthly basis. Re-negotiation of the authorized repatriation ceilings is possible.

The legal, regulatory, and accounting systems are based upon French civil law. The legal and regulatory procedures, however, are not always applied uniformly or transparently.

The banking system is currently weak, but on the road to recovery with the closure of one bank and plans outlined by the IMF and the World Bank to restructure the regulatory systems of three other ailing banks. The new regulations should be in place by the year 2000.

Laws governing takeovers, mergers, acquisitions, and cross-shareholding are limited to rules for documenting financial transactions and filing any change of status documents with the economic register. The code of economic activities limits reciprocal holdings to 10% between two firms.

There are no laws or regulations that specifically authorize private firms to adopt articles of incorporation that limit or prohibit foreign investment.

Political Violence:

Political violence associated with the presidential elections in 1993, the legislative elections in 1995, a military mutiny in 1996, the arrest of Alpha Condé in 1999, and the communal elections in 2000 had an impact on some investors, predominantly retailers. However, there is no evidence that American investors, or foreigners in general, were specific targets.

In March 1998, riots broke out following the demolition, without compensation, of houses illegally constructed on government property. The demolition left over 100,000 people homeless.

Guinea's neighboring countries of Sierra Leone, Liberia, and Guinea-Bissau are politically unstable or prone to security problems. The three countries are the source of over 500,000 refugees in Guinea, most of whom reside in the forest region. Refugee statistics are difficult to confirm, as refugees living outside of official camps are not counted by the UN High Commissioner for Refugees Office (UNHCR). Refugees in Conakry drastically add to over-population. According to the UNHCR, all of the refugees from Guinea-Bissau (less than one percent of the total refugee population) were repatriated in the first half of 2000.

Corruption:

Corruption is the single biggest obstacle discouraging U.S. investment in Guinea. The business culture encourages corruption, and business is routinely conducted through the payment of bribes rather than by the rule of law.

Though it is illegal to pay bribes in Guinea, there is no enforcement. It is, in practice, difficult and time consuming to conduct business without paying bribes. This leaves U.S. companies somewhat at a disadvantage, since U.S. law prohibits them from doing business by bribing government and other officials.

Enforcement of the rule of law in Guinea is irregular and inefficient. Businesses report that one must pay a bribe to see that a law is enforced, but then a bribe is paid by the offender to reduce or eliminate any penalties.

The GOG has made a commitment to reforming its judicial system, in conjunction with IMF and World Bank programs, by revising procedures, strengthening judicial institutions, and creating an arbitration court. The Ministry of Justice is responsible for combating corruption and is organizing workshops and seminars to find means to enforce the rule of law and improve the business climate. Despite these attempted reforms, there has been little practical effect on the widespread corruption within and outside of the government.

In 1997 and 1998, the GOG uncovered a fraud scheme involving officials from the economic and trade ministries and the head of a French corporation in which both parties conspired to falsify documents and defraud the government of millions of USD. The Minister of Finance conducted the investigation and negotiated with the parties involved for promises of reimbursement of the stolen funds in return for no jail time.

Bilateral Investment Agreements:

Countries with bilateral investment protection agreements with the GOG include Germany, Switzerland, Italy, Belgium, Great Britain, Tunisia, Malaysia, and Yugoslavia.

OPIC and Other Investment Insurance Programs:

Guinea and the U.S. have an agreement on private investment guarantees, in effect since 1962. Thus, investors are eligible for OPIC insurance programs. Currently, there are no investment projects insured by OPIC.

In 1989, Guinea signed the convention for the Multilateral Investment Guarantee Agency (MIGA). It was ratified in 1993.

The Embassy and other U.S. institutions in Guinea use approximately 8-10 million USD of the local currency annually. The U.S. embassy purchases currency at the official rate, which in mid-July 2000 was at 1,645 Guinean francs to the dollar. The Guinean franc has been fairly unstable, depreciating 25% of its value against the dollar since December 1998. The annual average exchange rate is expected to depreciate a further 26% from 1999 to 2000 (1350.7 GNF/USD to 1700 GNF/USD).

Labor:

Education is compulsory for eight years, but only 35% of girls and 66% of boys are enrolled in primary school. Guinea has a high illiteracy rate of 64%. To this end, labor in Guinea is ample but not well educated. With the exception of Guineans involved in donor training programs and those with the means to study overseas, few have exposure to western business and economic principles. Productivity levels are low, and Guinea has a critical shortage of skilled managers and administrators with private sector experience.

Guinea has a strict labor code (1988) protecting the rights of employees and a strict enforcing agent in the Ministry of Social Affairs. The labor code sets forth guidelines in various sectors, the most strict in the mining sector. Guidelines cover wages, holidays and work schedules, overtime pay, vacation, and sick leave. Employers' rights to hire and fire are less clearly defined. Many cases of termination result in adjudication in the Guinean court system, generally to the disadvantage of the employer.

Labor management relations, defined by the provisions of the labor code, can vary from smooth to difficult. Many foreign managers cite as major problems incidences of theft, low productivity and the difficulty of terminating an employee.

On average, employers must contribute 18% of the value of the employees' salary toward social security, with an employee contribution of 5%. The labor code outlines general guidelines related to health and safety, but the GOG has not yet articulated a set of practical occupational standards. Government resources allocated for this activity are scarce.

The labor code legalizes employee labor unions and the right to collective bargaining. The majority of workers belong to independent unions, significantly weakening the national labor confederation (the government union). There are about six major unions with national membership, and another 8-9 local (Conakry) unions, all of which lobby for improved wages, benefits, and working conditions.

Child labor is prevalent in Guinea in the informal sector. Approximately 50% of children under 15 work, most in the informal sector as street-side vendors, shoe-shiners, or on family farms. But, some work under grueling conditions for little or no money in the mines and quarries, hauling granite and sand.

AIDS has not had as devastating effect on Guinea as it has had on some of its African neighbors. From 1987 to 1999 there were 6,285 reported cases. In 1998 alone, there were 1,648 reported cases. However, the infection rate of women is rising alarmingly. But these are only the reported cases of infection, as the Ministry of Health reports that between 6,000 and 12,000 people die each year from AIDS.

Foreign Trade Zones/Free Ports:

Guinea has no free trade zones or ports, but a temporary license to sell merchandise duty-free may be obtained through the Ministry of Finance.

Foreign Direct Investment Statistics:

Since 1991, investment has been moderate. According to GOG officials, many investors are awaiting the completion of judicial and economic reforms aimed at promoting private sector development. Investing in Guinea is simplified by the opening of the Office of Private Investment Promotion (OPIP), created in 1992. OPIP is a one-stop business registration office, centralizing the administrative, legal, fiscal, and other formalities required to invest in Guinea.

Guinea hosted an investors’ forum in May 1998, sponsored by OPIP and the United Nations Industrial Development Organization, to present numerous investment projects in Guinea.

Refer to Appendix F for statistics on foreign direct investment and a list of companies operating in Guinea.

## VIII. TRADE AND PROJECT FINANCING

Banking System:

Guinea’s banking system follows the French banking system. Guinea’s commercial banking sector was legalized by reforms in 1985 and 1986. Guinea’s formal financial sector consists of the Central Bank and six commercial banks. The financial sector is largely controlled by foreign-owned banks (see Appendix E for a list of banks).

The banking system has a narrow base, is very fragile and is unable to meet the development needs of the private sector. Since banks are conservative and risk averse, there is not a significant amount of capital available to finance large investments. Banks prefer to finance trade. Commercial banks favor short term lending at high interest rates (25-30%), as there is an astronomically high potential for default.

Guinea's banking sector experienced heightened instability in 1997, resulting in the closure of one bank and a pledge to restructure three other banks, with help from the IMF and the World Bank. Banking reforms were to be complete by the year 2000 and would strengthen the banking sector's ability to respond to the private sector's needs. But those reforms have stalled, leaving the banking sector in much the same state.

Proposed reforms include the creation of a monitoring committee to supervise reform implementation, a reduction in government borrowing to allow more credit for the private sector, increased supervision of the Central bank according to Basle committee principles, and a stronger regulatory environment for the banking system.

Foreign Exchange Controls Affecting Trade:

All initial capital investments and earnings generated can be converted and repatriated, but only 50% of Guinean capital can be converted/transferred.

The GOG states that there are no foreign exchange controls that affect trade.

General Availability of Financing:

The six commercial banks limit their activities to short and medium term finance, with very limited lending practices. Commercial interest rates are very high, averaging 25-30%. Commercial loans, thus, are scarce and expensive. Several donor programs (including USAID) have set up credit facilities or guarantee mechanisms for agricultural and small enterprise lending through the commercial banks. These programs focus, however, on helping local Guinean businesses and are, therefore, difficult for expatriates to access.

How to Finance Exports/Methods of Payment:

Financing is practically non-existent through local commercial banks. Most U.S. exporters dealing with Guinean importers receive direct payment through international transfer. If not, exporters are encouraged to insist upon an irrevocable letter of credit before shipping products to Guinea.

Types of Available Export Financing and Insurance:

Due to its poor credit rating, Guinea is ineligible for most export-import bank programs. There are, however, three regional U.S. Department of Agriculture export promotion programs for which Guinea is eligible: the dairy export incentive program, a GSM-102 credit program, and a wheat export enhancement program. For more details, interested businesses should contact the U.S. Department of Agriculture.

Availability of Project Financing:

The African Development Bank's (AFDB) private sector window in Abidjan also has some funding available for development-oriented business projects. The construction of a privately run (partly U.S. owned) flourmill project was co-financed by an AFDB loan. The Overseas Private Investment Corporation will accept applications for investment projects in Guinea. The U.S. Trade and Development Agency has a small program to assist in the financing of feasibility studies that meet significant U.S. export criteria.

Types of Projects Receiving Financing Support:

Energy (hydroelectric/thermal power stations, 88.4 million USD in 1997): funders include African Development Bank, Caisse Francaise de Developpement, World Bank, Canadian International Development Agency, Saudi Development Fund, Kuwait Development Fund, European International Bank, Germany, and European Development Fund.

Public works (roads/bridges, 27.8 million USD in 1997): funders include African Development Bank, World Bank, Japan, USAID, Caisse Francaise de Developpement, Saudi Development Fund, OPEC, Kuwait Development Fund, African Bank for Economic and Agricultural Development, Canadian International Development Agency, European Development Fund, and Islamic Development Bank.

Urban water (12.0 million USD in 1997): funders include World Bank, Saudi Development Fund, African Bank for Economic and Agricultural Development, OPEC, DANIDA (Danish Development Agency), Caisse Francaise de Developpement, and Islamic Development Bank.

Infrastructure (housing and urban construction, 11.3 million USD in 1997): funders include World Bank, and China.

Banks with Correspondent U.S. Banking Arrangements:

Local banks with a correspondent U.S. banking arrangement include the Banque Internationale de Commerce et Industrie (BICIGUI), with City Bank of New York, the French American Banking Corporation, and the Banque National de Paris New York Branch; the Societe Generale des Banques en Guinee (SGBG) is affiliated with SGB of New York; the Banque Islamique de Guinee (BIG) is linked to Fidelity Bank of New York; the Unione Internationale des Banques en Guinee (UIBG) is an affiliate of Credit Lyonnais, of France, with branches in

New York; and International Commercial Bank S.A. with Bank Bumiputra Malaysia Berhad in New York (see-Appendix E).

ECOBANK, a west African-based bank under partial Citibank ownership, has direct financing and transfer links with Citibank worldwide. ECOBANK has recently gained the bulk of U.S. banking business in Guinea and appears to be more accommodating to potential U.S.-based clients.

## IX. BUSINESS TRAVEL

### Business Customs:

Successful U.S. businesses share one common characteristic: establishment of a local office staffed by individuals who know the language and the culture and have a demonstrated ability to establish relationships with key decision-makers.

Guinea is a francophone country that recently opened up to investors from other regions (including North America and Asia). Guinea's population is 85% Muslim. Businesses will encounter the same types of problems and opportunities found in other West African countries.

Businesses should know the language and the market. American products are extremely popular, but pricing is important. Low cost items will be more successful. There is not a large market for high priced goods - Guinea is a poor country. U.S. companies could do well with high volume sales of low priced goods.

The key to sales in the mining, donor project, and general markets are French language ability, patience with the long selling time necessary, and very clear contractual terms, including an irrevocable letter of credit and/or advance payment on a U.S. bank.

### Travel Advisory and Visas:

U.S. citizens entering Guinea are required to have not only a valid passport, but also a visa. Visas can be obtained from a Guinean diplomatic mission or consulate abroad. The Guinean diplomatic mission in the U.S. is at the following address:

Embassy of Guinea
2112 Leroy Place, N.W.
Washington, D.C. 20008
Tel: (202) 483-9420
Fax: (202) 483-8688

### Holidays:

The following official holidays are observed in Guinea:

| | |
|---|---|
| New Year's Day: | January 1 |
| End of Ramadan: | Variable - (January, 2000) |
| Easter Monday: | Variable - (April, 2000) |
| Declaration - Second Republic: | April 3 |
| Tabaski: | Variable - (April, 2000) |
| Labor Day: | May 1 |
| Anniversary of OAU: | May 25 |
| Prophet Mohammed's Birthday: | Variable – (July, 2000) |
| Assumption: | August 15 |
| Independence Day: | October 2 |
| Christmas: | December 25 |

Business Infrastructure:

Language: French is the official language of government, education, and business. Local languages (Soussou, Fula, Malinke) are also widely spoken. There are few English speakers available locally, although, growing populations of Liberians and Sierra Leoneans have added to the number of Anglophones.

Housing: There has been an increase in construction in recent years and ample housing is available for expatriate businesspersons in Conakry. Rents have decreased, but are still very expensive compared to other countries in the region (anywhere from 1,000-2,000 USD per month for a single family house or apartment). Utility costs are very high due to poor infrastructure and inadequate billing and collection. The inadequate electric supply increases housing costs by adding generator and fuel costs.

For short term housing, there are four hotels in Conakry which meet western standards:

Hotel Camayenne (located midtown)
B.P. 2818
Conakry, Republique de Guinee
Tel: (224) 41-40-89
Fax: (224) 41-29-95
Telex: 0995 23385 HOTCAM

Novotel - Grand Hotel de l'Independence (located downtown)
B.P. 287
Conakry, Republique de Guinee
Tel: (224) 41-50-21, 41-46-81/82/83/84
Fax: (224) 41-16-31
Telex: 22112 GE, 22275 GE

Hotel La Riviera (located uptown)

Quartier Taouyah
Conakry, Republique de Guinee
Tel: (224) 012-66-11-98

Hotel Mariador (located uptown)
B.P. 627 BIS
Conakry, Republique de Guinee
Tel: (224) 41-27-52/40-20-40/40-27-70
Fax: (224) 41-45-44
Telex: 22 129 MARSY

Transportation: Taxis are readily available at the major hotels in Conakry but are not up to U.S. standards. Car rental (with or without driver) is available, though expensive, through the hotels. There are no car rental agencies located at the airport.

Avis
Directeur: Ms.Oumar Ly
B.P. 1455
Conakry, Republique de Guinee
Tel: (224) 41-15-15/45-45-71
Telex: 22268 GE

Hertz-Guinee
B.P. 1366
Conakry, Republique de Guinee
Tel: (224) 41-40-89/50-21
Telex: 609 SAG FIN

EURO-Car
Hotel de l'Independence
B.P. 587
Tel: (224) 41-40-89/51-21
Telex: 783 EGCA
Conakry, Republique de Guinee

Guinee-Cars
Face Societe Generale des Banques
B.P. 93
Tel: 44-35-75/39-26
Telex: 627 GE
Conakry, Republique de Guinee

Locadem Rent a Car
Hotel Camayene
Tel: (224) 45-19-01 OR 41-40-89

Novotel
Tel: (224) 45-19-80 OR 41-50-21
Fax: (224) 41-34-42

Communications:

Communications systems in Guinea are still in rudimentary stages of development, although they have improved over the past two years. International calls (and facsimile transmissions) can be made from the post office (PTT) and from major hotels and places of business. Local calls can be made in the downtown area of Conakry with occasional difficulty. A plethora of phone booths, using phone cards purchased at the post office, were installed throughout Conakry in 1996-1997, but are not always operational. For postal service, most businesses utilize a post office box.

There are currently three cellular phone companies in Conakry (SPACETEL, TELECEL, and SOTELGUI). Competition between the three service providers affords customers reasonable rates. Malaysian investors are determined to expand and improve the services of the local phone company. However, lack of capital and increasing demand hinder the firm's forward momentum. Through USAID's Leland Initiative, Guinea gained full Internet access in 1997. Three local service providers are: SOTELGUI, BINTA, and BULL.

Health: Health conditions are poor. All major vaccinations (consult Center for Disease Control, Atlanta, GA, tel: (404) 639-1510, Fax: (404) 639-1509) should be updated before traveling to Guinea. Chloroquine-resistant malaria is present in Guinea. Malaria prophylaxis should be started one week before arrival: mefloquine 250 mg weekly; or chloroquine doxycycline 100 mg daily.

To maintain good health in the tropics, the following simple health precautions should be observed:

(1) Drink only bottled, boiled, or filtered water.
(2) Wash and disinfect salad ingredients and nonpeelable vegetables and fruits before eating them.
(3) Take anti-malaria pills.
(4) Use a mosquito net if sleeping in a room that has unscreened, open windows.
(5) Contact CDC for full range of required vaccinations.

U.S. medical prescriptions: Persons with chronic medical conditions must bring supplies and medications sufficient for their length of stay. A valid World Health Organization vaccination and shot record will be needed at the point of entry and a yellow fever vaccination is required.

Medical facilities: Medical facilities are limited. Doctors and hospitals often expect immediate cash payment for health services.

Temporary entry of goods: Provided that goods are declared prior to entry, all items for personal use and personal effects, may be brought into the country in small amounts free of duty.

## X. ECONOMIC AND TRADE STATISTICS

Appendix A: Country Data

| | |
|---|---|
| Population (millions, 2000 est): | 7.6 (including about 500,000 refugees) |
| Population Growth Rate: | 3% |
| Religion: | Predominantly Muslim |
| Government System: | Democratic Republic |

| | |
|---|---|
| Languages: | French (official language) Soussou, Fula, Malinke, other local languages |
| Work Week: | Monday to Thursday 8:00am-4:30pm<br>(Businesses close at 1pm Friday for Islamic prayers) |

Appendix B: Domestic Economy

| (in USD) | 1998 (est.) | 1999 (est.) | 2000 (proj) |
|---|---|---|---|
| GDP (current dollars) | 4203.5 mil | 4527.8 mil | 4911.3 mil |
| GDP growth (percent) | 4.5% | 3.2% | 4.5% |
| GDP per capita (actual) | 583.82 | 595.76 | 627.40 |
| Government spending as percent of GDP | 8.4% | 8.6% | 9.2% |
| Inflation (percent) | 5.1% | 4.6% | 4.0% |
| Unemployment (percent)[1] | 8-11% | 8-11% | 8-11% |
| Foreign exchange reserves | 179.8 mil | 244.0 mil | 255.6 mil |
| Average exchange rate for USD 1.00 | 1232.8 | 1350.7 | 1700.0 |
| Debt Servicing/ External Debt | 3.38 | 3.38 | 3.96 |
| U.S. economic assistance[2] | 17.0 | 18.5 | 18.5 |
| U.S. military assistance | 0.07 | 0.47 | 0.29 |

[1]Based on a World Bank study which includes informal sector employment
[2]Economic assistance includes: USAID, PL 480, Embassy Special Self Help, and Peace Corps

Appendix C: Trade

| | 1998 (est) | 1999 (est) | 2000 (proj) |
|---|---|---|---|
| | | USD Millions | |
| Total Country Exports[1] | 677.6 | 97.0 | 392.8 |
| Total Country Imports[2] | 732.3 | 409.1 | 404.4 |
| Exports to the U.S.[3] | 115.3 | 116.9 | 86.2 |
| Imports from the U.S.[4] | 65.4 | 54.6 | 64.8 |

[1]FOB Value according to Guinea Customs
[2]CIF Value according to Guinea Customs
[3] FOB Value according to U.S. Department of Commerce
[4] CIF Value according to U.S. Department of Commerce

Appendix D: Foreign Direct Investment (FDI) Statistics

| | 1996 (est.) | 1997 (est.) | 1998 (proj.) |
|---|---|---|---|
| | | USD Millions | |
| FDI Inflows | 40.3 | 34.4 | 25.5 |
| FDI Balance (percent of GDP) | 11.01% | 8.95% | 6.32% |

Source: World Bank

Major Foreign Direct Investments (1997-1998)

| Project | Company/Country | Value (US$) |
|---|---|---|
| To repair 350 km rail link between Conakry and Dabola | Slovak Railways | 200 million |
| To explore gold deposits | Ashanti Goldfields/Ghana Society Aurifere de Guinee | 45 million |
| To explore diamond reserves | Hymex Diamant Corp./Canada | 24 million |
| To expand and modernize bauxite mining facilities | Government/Iran | 20 million |

| | | |
|---|---|---|
| To expand diamond mining operations and purchase diamonds | DeBeers/S. Africa | 8 million |

Major U.S. Investors:

-- Alcoa, Pittsburgh, PA
-- Reynolds Metal Company, VA
-- Amex International, Washington, D.C.

U.S. Companies Operating in Guinea through Foreign Subsidiaries or Local Representatives:

| | |
|---|---|
| Ernst & Young | Mobil |
| Motorola | Western Union |
| Coca-Cola | Delta |
| General Motors | TELECEL |
| IBM | Black&Decker |
| Microsoft | Ford |
| Xerox | |

Major Companies of Other Countries:

-- Shell, Great Britain
-- Elf Aquitaine, France
-- Total, France
-- Golden Shamrock Mines Ltd, Australia
-- Banque Nationale de Paris (BNP), France
-- Credit Lyonnais, France
-- Societe General de Banques De France
-- Mack Trucks, France
-- Intercontinental Technical Services (ITS)
-- Alumine Pechiney, France
-- Alcan, Great Britain
-- Government of Iran
-- Private Libyan Group
-- Various Malian, Lebanese, and other third country national importers and small investors.

## XI. U.S. AND COUNTRY CONTACTS

Appendix E: U.S. and Country Contacts

U.S. Embassy Trade Related Contacts:

International Address:

Economic/Commercial Officer
American Embassy Conakry
B.P. 603
Conakry
Republic of Guinea
Tel: (224) 41-15-20/21/23
Fax: (224) 41-15-22

State Department Pouch Address:

U.S. Embassy Conakry
Department of State
Washington, D.C. 20521-2110
Tel: (224) 41-15-20/21/23
Fax: (224) 41-15-22

U.S. Agency for International Development (USAID)
B.P. 603
Conakry
Republic of Guinea
Tel: (224) 41-20-29/ 41-25-02
Fax: (224) 41-19-85

Commercial Library
American Center
Thurgood Marshall Library
Conakry, Republique de Guinee
Tel: (224) 46-14-24 / 41-36-78
Fax: (224) 41-29-21

Country Trade or Industry Associations in Key Sectors:

Chambre de Commerce de Guinee
M. Ousmane Balde, President
B.P. 545
Conakry, Republique de Guinee
Tel: (224) 41-22-80 / 46-38-46
Telex: 22102
Fax: (224) 41-39-90

Patronat Guineen
M. Mohamed Sylla
41-24-70
Conakry, Republique de Guinee

Country Government Offices Relating to Key Sectors:

Ministry of Transportation and Public Works
M. Cellou Dalein Diallo, Ministre
B.P. 13
Conakry, Republique de Guinee
Tel: (224) 41-36-39
Telex: 22349GC

National Commerce Directory
M. Mohammed Bangoura, Directeur
B.P. 13
Conakry, Republique de Guinee
Tel: (224) 41-37-37
Telex: 22349 GC

Ministry of Commerce, Industry, and Private Enterprise
Mme Haja Mariama Déo Baldé
Conakry, Republique de Guinee
Tel: (224) 41-52-22
Telex: 22349 GE

Organization for the Promotion of Public Investments (OPIP)
M. Dianka Koivogui
B.P. 2024
Conakry, Republique de Guinee
Tel: (224) 41-49-85
Telex: 22371 MINDUS GE

Country Market Research Firms:

West African Consultants
B.P. 2419
Conakry, Republique de Guinee
Tel: (224) 44-29-79

FFA/Ernst and Young

Immeuble Archeveche-Face Baie Ange
B.P. 1420
Conakry, Republique de Guinee
Tel: (224) 44-21-82
Fax: (224) 41-28-31
Telex: 23200

Country Commercial Banks:

Banque Centrale de la Republique de Guinee (BCRG)
Boulevard du Commerce
B.P. 692
Conakry, Republique de Guinee
Tel: (224) 41-26-51/17-25/17-34
Fax: (224) 41-48-98
Telex: 22225 GE

ECOBANK Guinee SA
B.P 5687
Manquepas
Conakry, Republique de Guinee
Tel: (224) 45-34-54, 45-42-41, 45-34-23

Banque Internationale Pour le Commerce et
l'Industrie de la Guinee (BICIGUI)
Avenue de la Republique
B.P. 1484
Conakry, Republique de Guinee
Tel: (224) 41 50 11 / 45 15 / 39 54
Fax: (224) 41 39 62
Telex: 22175 & 23215 GE

Banque Islamique de Guinee (BIG)
Immeuble Nafaya
6ème Avenue
B.P. 1247
Conakry, Republique de Guinee
Tel: (224) 41-50-86/21-08
Fax: (224) 41 50 71

Banque Populaire Maroco-Guineenne (BPMG)
Ave. de la Republique
Conakry, Republique de Guinee
Tel: (224) 41-92-06/23-60/36/93
Fax: (224) 41-32-61

International Commercial Bank
4e Av. Boulbinet
B.P. 3547
Conakry, Republique de Guinee
Tel: (224) 41-25-90/91/92
Fax: (224) 41-54-50

Societe Generale de Banques en Guinee (SGBG)
Cité Chemin de Fer
B.P. 1514
Conakry, Republique de Guinee
Tel: (224) 41 17 41 / 17 46
Fax: (224) 41 25 58
Telex: (0995) 22212 SOGEKRY

Union Internationale de Banque en Guinee (UIBG)
6ème Avenue, Angle 5ème Boulevard
B.P. 324
Conakry, Republique de Guinee
Tel: (224) 41 20 96 / 43 09
Fax: (224) 41-42-77
Telex: 23135 GE 22223 GE

Multilateral Development Bank Offices in Country:

The World Bank
Immeuble de l'Archeveche
Face Baie des Ange
B.P. 1420
Conakry, Republique de Guinee
Tel: (224) 41-27-70

International Monetary Fund
Banque Centrale de la Republique de Guinee
Boulevard du Commerce
B.P. 692
Conakry, Republique de Guinee
Tel: (224) 41 39 63
Telex: 22225 GE

Washington-Based USG Country Contacts:

Office of West African Affairs (AF/W)
Bureau of African Affairs

U.S. Department of State
Washington, D.C. 20520
Tel: (202) 647-3407
Fax: (202) 647-4855

U.S. Department of Commerce Country Desk Officer:
Mr. Philip Michelini
Senior Country Specialist
Office of Africa
U.S. Department of Commerce
Washington, D.C. 20230
Tel: (202) 482-4388
Fax: (202) 482-5198

TPCC Trade Information Center Number in Washington: Phone 1-800-USA-TRADE

U.S. Department of State Office of the Coordinator for Business Affairs:
Phone 202-746-1625, Fax 202-647-3953

## XII. MARKET RESEARCH AND TRADE EVENTS

### Appendix F: Market Research

No general market research was published in 1997 or to date in 1998. Specific market research is done on occasion by individual businesses in specific sectors, and not available for general distribution.

### Appendix G: Trade Event Schedule

There are three major trade fairs in Conakry:

1) Conakry International Fair (Foire International du Conakry), held every two years in November. (It will be held November 25 through December 5, 2000);

2) Guinean Products Fair (Salon de l'Agriculture/Salon des Produits Guinéens) held in May/June every year; and

3) Agriculture, Industry and Artisan Fair (Salon de l'Agriculture, Industrie et Artisanat) held on January 22- February 7, 2000

Note: Firms should consult the export promotion calendar on the National Trade Database (NTDB), or contact the post commercial section for the latest information or to arrange individual trade programs.

Appendix H: Local Newspapers

1. Journal Officiel
2. Horoya - Tel: 224-41-34-75/41-37-76
3. Indépendant - Tel: 224-41-57-62; Fax: 224-41-43-19
4. Le Démocrate - Tel: 224-41-57-62; Fax: 224-41-43-19
5. Lynx - Tel: 224-41-23-85; Fax: 224-41-23-85
6. Lance - Tel: 224-41-23-85; Fax: 224-41-23-85
7. L'Oeil
8. La Nouvelle Guinée

10: L’Economiste